



JAMES A. NOYES, Director

# COUNTY OF LOS ANGELES

## DEPARTMENT OF PUBLIC WORKS

*"Enriching Lives"*

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IN REPLY PLEASE  
REFER TO FILE: **C-1**

January 22, 2004

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**RESCIND AWARD  
PROJECT ID NO. TSM0010030  
WHITTIER BOULEVARD BUS RAPID TRANSIT  
SUPERVISORIAL DISTRICT 1  
3 VOTES**

### **IT IS RECOMMENDED THAT YOUR BOARD:**

1. Rescind the award of Project ID No. TSM0010030, Whittier Boulevard Bus Rapid Transit, Euclid Avenue to Garfield Avenue, in the vicinities of Boyle Heights, City Terrace, Montebello, and City of Commerce (1), in the amount of \$616,768.50, to Steiny and Company, Inc., 12907 East Garvey Boulevard, Baldwin Park, California 91706.
2. Instruct the Director of Public Works to notify the contractor of the Board action taken.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

On December 23, 2003, your board awarded a contract to Steiny and Company, Inc., for the synchronization of traffic signals and construction of a transit priority loop for bus rapid transit. Although the bids were higher than estimated, it was decided that we should award the contract to the lowest qualified bidder since three competitive

bids were obtained. However, the contract and associated engineering costs would exceed the grant funding that is being made available for the project by the Los Angeles County Metropolitan Transportation Authority (MTA). We have not yet received assurance from the MTA, in the form of an amended Memorandum of Understanding (MOU) for the grant funds, that they will cover all of the costs of this project. Consequently, we are recommending this rescission of the contract while we negotiate an amended MOU with the MTA.

We have little experience with the type of traffic controller being used for this project. The bids we received for the 20 new traffic controllers were substantially higher than the cost that the City of Los Angeles receives. Therefore, this rescission will also provide us with more time to determine if Public Works can procure the 20 new traffic controllers that are needed for the project at a cost less than what is shown in the bids we have received. We would then furnish the traffic controllers to a contractor.

#### **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

This action is consistent with the County Strategic Plan Goal of Fiscal Responsibility since it will ensure the receipt of grant funds to complete this project at a reasonable cost.

The enclosure includes the project description, the call for bids and bid opening date, a tabulation of the bids, and financial information.

#### **FISCAL IMPACT/FINANCING**

The costs for rescinding the award and readvertising this contract will be minimal and will likely be offset by savings realized by restructuring the contract.

#### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The low bidder has neither executed the contract documents nor acquired the necessary bonds.

#### **ENVIRONMENTAL DOCUMENTATION**

This action has no environmental impact.

#### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

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While rescinding the award and readvertising the project will delay the improvements to the existing traffic signals, there will be no other impacts to residents, businesses, and motorists.

**CONCLUSION**

Please return one approved copy of this letter to Public Works.

Respectfully submitted,

JAMES A. NOYES  
Director of Public Works

TKB:pb

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Enc.

cc: Chief Administrative Office  
County Counsel  
Office of Affirmative Action Compliance